

MINUTES FOR MEETING OF May 19, 2011

Opening

The School/City Committee held a special meeting in the District Conference Room A at 25 Churchill Ave, Palo Alto. The meeting was called to order at 8:19 a.m.

* All handouts can be viewed in the Business Services Office 25 Churchill Ave.

Palo Alto Unified School District Representatives:

Dana Tom, Board Member, Committee Chair
 Barbara Klausner, Board Member
 Bob Golton, Co-CBO and Bond Program Manager
 Cathy Mak, Co-CBO

City of Palo Alto Representatives:

Nancy Shepherd, Council Member
 Yiaway Yeh, Council Member (Absent)
 Gail Price, Council Member
 Steve Emslie, Deputy City Manager

Oral Communications

There were no requests to address the Committee.

Approval of Minutes – April 21, 2011

MOTION: Shepherd moved to approve the minutes from the April 21, 2011, meeting. Klausner seconded. Minutes were approved 4-0.

Review of Recent City Council/PAUSD Board Meetings

City Council: Shepherd said they had to approve a 5 year capital budget for the fiscal year ending 2012. In 2014, they have a 1.3 million improvement at Cubberley and are designing it in 2013. Also, they noticed the District discussed the Ventura site at the study session. They do have a build out in 2014 with PACCC of over half a million dollars which they have been working with PACCC closely on. It was reported to Council that the District would just need to give the City a twelve month notice if they want to purchase the property back. They also have a miscellaneous \$25,000 project that has to do with fields. Also as part of the covenant with Ventura, if the City puts in more than \$100,000 in improvements, they need to get approval from the District because they would have to purchase the property back with improvements. Tom asked are the improvements over the \$100,000 threshold? Shepherd said they have \$90,000 in design and \$600,000 in improvements in 2014. PACCC is a big component of the quality of life for families in our community and conversations with PACCC are going on now. This is being planned right now as a capital improvement for the City. Klausner asked if the \$100,000 threshold for Cubberley applies to Ventura as well. Shepherd said she's confused by that because they were discussing both at the same time and didn't ask to differentiate. If it doesn't then that means they should have a rigorous conversation about whatever happens there. Tom said there should be a clear understanding of what the contract involves. They had a cell phone towers study session, they are giving staff their input and will come back with policy for the Council to look at. Their threshold right now is residences and commercial areas.

PAUSD Board: Klausner said there is a change in the 2013 District calendar. The start date will be in the middle of August and end at the end of May. Camps and childcare were a concern. It will be in place for two years. Tom said the other interesting thing is the effort they are doing in energy savings. Golton said they are two parts; the supply side working with Enovity and on the demand side they have now contracted with Energy Education (EEI). EEI is in over 1100 school districts nationwide. They had extensive conversations at the Sustainable Schools Committee (SSC). There was a decision made last year at the SSC to try doing this work themselves and a group was formed, but this year they agreed to bring in this consultant to do this work. The Board approved the contract. EEI requires them to hire an Energy Education Specialist as a District employee. There are several crews

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of engineers from EEI that work with the energy specialist. It is a data job and this person will be interfacing with the teachers and the principals. The first act is to send out an e-mail to employees asking if they are interested in the position to apply. The salary for this position is reimbursed to the District if they don't save enough to cover the salary. In our District they will typically save about \$600,000 per year. Tom said Enovity is about energy efficiency with the devices they have and EEI is working on behavior change of staff and students. Shepherd said it might be good if the District spoke to their Sustainability Director Debra van Duynhoven and Valerie Fong, Utilities Director. They are trying hard to measure savings for greenhouse gases to stay in correlation with their goals. They can quantify what is going on at City Hall and City efforts, but they can't quantify what is going on in the household. The two Council members key in this is Pat Burns and Yiaway Yeh. Tom asked if the City has programs like this where they bring in other firms to help out with the demand side. Emslie said yes, they do. Shepherd said they just passed a list of them on Monday night. Emslie said there were about twenty contracts on the consent calendar.

Klausner said the District is doing focus groups with Dr. Skelly running them. The District sent out e-mails to a hundred randomly chosen families in 6 or 7 different groupings. It is just to find out what the average citizen is thinking. Also, they did get the survey results for the developmental assets that went to the Board in March. Klausner said she went to a PTA meeting to discuss the survey results and what can the City and District do in response. If they haven't already, they will post some of the information on the PTA website.

Tom said the District is adopting a tree policy. Golton said the policy is a result of collaboration with Canopy, Sustainable Schools Committee, Community Stakeholders, Bob Golton, Chuck McDonnell, and the District arborist.

City and District Budgets

District: Mak said the financial picture is getting better. The May revision has good news; state revenue is up and appropriation for Prop 98 is also up. The Governor has appropriated \$3 billion more to Prop 98 and use the money to fund revenue deferrals. The proposal for education is back at the January proposal of flat funding. There are still uncertainties. He is still counting on tax extensions. The gap is lower and the range in the scenario is down and narrow. School Services is advising districts to budget at the flat funding level. Shepherd asked Mak to define flat funding level? Mak said in January the Governor said next year there would be no budget cuts to education. They are still taking a hit as a basic aid school district. Their fair share reduction has increased by \$2.6 million. They have included this in next year's budget projection. They have a property tax meeting with County officials this week. For this current year they will receive an additional \$126,000 in unsecured taxes. The assessment adjustments for Prop 8 are not finished; they will most likely receive them next week so they will see how much that will reduce their property tax growth. Year to date secure roll growth is looking good, right now they are at 4.4%. The property adjustment will pull down the growth a little and also in July the county will need to have a reserve for refunds. For the last month, they have been doing their budget planning based on there being a \$2 billion cut to Prop 98. They have a reduction target of \$3.8 million next year and they can reduce that target. The Governor's workshop is tomorrow and they will have a budget update next Tuesday night. They will have a Board study session on June 7 on the budget.

City: Emslie said there are no cuts as last year. They are assuming there will be continued joint participation with the school resource officer. There is a cost of sharing agreement that they entered into last year with the District. The budget is based on some assumptions; making cuts on benefits, primarily in the safety area. Generally they are seeing some of the same trends. Modest growth in sales tax revenue. They are seeing tremendous growth in permit activity which is signs of increased property growth. Shepherd said they have a 4.3 million budget deficit that they are planning on sustaining because they have not entered into bargaining units for safety – fire and police. There are four bargaining units there which have not made accommodations like their miscellaneous employees have done. Fire has taken their scheduled increases every year which has been up to 6%. Police has deferred but when they defer, they take the prior year's increase which is 6%. They will probably go ahead with an unbalanced budget so there might be some changes half way through the year. Police has scheduled \$70,000 a year for track watch into their budget. Shepherd said they

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will also have a hard number at the end of the year from their Infrastructure Blue Ribbon Commission about how much they should be budgeting. Budgeting about \$10 million a year for this is probably about right which they don't have imbedded in this budget. If they would add that they would have a different structural deficit, but there is about a \$3 million overhang of backup that doesn't include any seismic amounts. At the end of this year they will know more.

PAUSD Elementary Enrollment & Facilities Plan

Mak said there is enormous growth at the elementary level this year. They have growth of more than 200 students enrolled so far. The middle and high enrollment is coming in slightly lower than the medium projection. Mak said the new kindergarten law will take place in 2012-13 and so they will have three bubble years, 2012-13 the date will be lowered to November, 2013-14 to October, and 2014-15 to September. Even though the age is changed for the regular program, school districts are required to operate a transitional program and so they would like to expand the young fives program. Price asked if there is any capacity issue on Middle College or can it be expanded? Mak said every year they have 35 – 42 seats that are being allotted and it depends on how many kids MVLA has. There is a capacity but it is not a firm number because they have a few seats they can move. As far as expanding the program, she is not sure how that works. They do not keep these students as part of their enrollment. MVLA runs the program and PAUSD pays them. Mak said they send students to middle college and Alta Vista. Emslie asked what implications enrollment has on the expansion of schools. Golton said they will bring to the Board on June 14 their notions of how to feed 40 classrooms into the K-5 program that will accommodate about 900 additional students. They anticipate growth over 5 years of 570 students and over 10 years 1,200 – 1,300 students this is about 7 or 8 years worth of students. They are interested in middle schools and high schools because at the middle school level they believe they will be at their middle school capacity within 8 – 10 years and they may need to contemplate opening another middle school. At the high school level they are building for capacity, but the notion was that they could terminate the Cubberley lease if there was a need for another small high school. Price asked on the numbers Golton gave on the 5 year, is that elementary only? Golton said yes. Golton said at the elementary level the District plans for the high enrollment and in the past few years they have been at the high enrollment projection. Price asked if the District has looked at year round schools, changes in schedules, virtual offsite learning, and 3 year high schools. Golton said they have not had a conversation about year round school. They have looked into online education. Conversations about 3 year high schools have not been brought to the Board at this point. Klausner said at their next Board meeting they will discuss high school requirements and the UC and CSU requirements. Shepherd said she has heard that the middle schools are full why wouldn't the conversation about opening a new middle school be sooner than later? Golton said they are building additional capacity at the middle schools. For JLS and Jordan the max is 1,100 students.

Future Meetings and Agendas

The next meeting is scheduled for Thursday, June 16 at 8:00 a.m.

Agenda includes:

Project Safety Net

Bike Plan Study Session

HRC Exploring with the Schools a Mechanism of Recognizing Youth on a Regular Basis for a Variety of Accomplishments

(Provide the Committee with a copy of the District's Tree Policy)

Potential Agenda Items for Future Meetings:

Bike Routes and Bike Paths (This could be a part of Safe Routes to School)

Energy Efficiency and Renewals

Emergency Preparedness

Information Technology (City Utilities contract with the District for Dark Fiber)

Environmental Sustainability

Adjournment

The meeting was adjourned at 9:39 a.m.